Mike Kentfield

Ch16

1. Creditors look at past loans and if you have bad credit, they may not give you one or charge you high interest. It increases your purchasing potential.
2. Your credit may be denied if you have a bad history with credit such as late payments.
3. Three ways to establish good credit is by paying bills on time, only using it when necessary and make extra payments when possible.
4. A credit card electronically records transactions and bills you at the end of the month. It allows to buy items you may not have the cash for.
5. Charge card is from a specific retailer while a credit card is accepted universally.
6. Because you will owe more in the end.